

March 2015

# Maputo City Profile

Mozambique



*Mozambique has been host to the world's biggest gas discovery in the past decade, and along with 6.9% anticipated economic growth rates in 2015, the country and Maputo in particular are now highly visible on corporate and investor radars.*

*The world's second largest LNG (liquefied natural gas) plant is under construction on Mozambique's north coast, which is destined to make the country the world's fourth largest exporter of LNG by 2025. Major infrastructure, electricity, port and rail upgrades are underway to service the extraction, the ancillary benefits of which will be felt in Maputo.*



**Mark Bradford**  
Chairman: Sub-Saharan Africa  
Tel +27 (0) 81 018 0265  
[mark.bradford@eu.jll.com](mailto:mark.bradford@eu.jll.com)

**Aashna Puri**  
Africa Desk  
Tel +27 (0) 11 507 2200  
[aashna.puri@eu.jll.com](mailto:aashna.puri@eu.jll.com)

[www.africa.jll.com](http://www.africa.jll.com)

# Maputo City Profile

Mozambique



City Population  
**1.2 million**



GDP Growth  
**6.9% pa**



Economic Size  
**US\$ 3 billion**

## Market Overview

Maputo has seen available office space volumes expand over the past two-three years and, as a result, rental growth has declined. The retail market has been slow to start because of the large informal trade sector, but South African retailers are now entering the city, which is encouraging growth. Nodes in the centre of Maputo and close to the port and airport are witnessing development of higher-value office or retail warehouse uses.



## Real Estate Dashboard

### Offices

**150,000m<sup>2</sup>** total stock  
**336 US\$/m<sup>2</sup>/pa** average prime rent

### Retail

**75,000m<sup>2</sup>** shopping malls  
**300-660 US\$/m<sup>2</sup>/pa** prime rent

### Hotels

**4** international-grade hotels  
**317 US\$** average room rate

Demographic and economic data refers to 2015 values/estimates  
Real estate data refers to Q1 2015 values/estimates

## Occupational Markets

Mozambique's wealth of natural resources has bolstered Maputo's property market as it begins to attract global corporates. Existing demand for office space is mostly from the banking, telecoms, professional and diplomatic/aid sectors, and new office buildings in the city are being generally completed to a 'shell and core' finish, allowing tenants to determine their required interior specifications and fit-out. In the retail sector, most developments are out-of-town, located on the main arterial routes. There are a number of shopping centres within mixed-use developments, including the Polana, Maputo and recently-completed Marés centres.

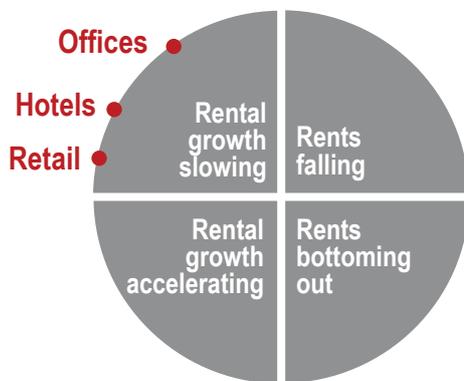
## Development Activity

Maputo is emerging as an investment hotspot, with FDI focused on the extractive sector as well as on increasing public works expenditure. Since 2007, FDI projects have grown at a CAGR in excess of 30%. The country has more than US\$32 billion worth of active infrastructure projects, especially the development of road and rail networks, as well as port upgrades. Maputo currently has about 70,000m<sup>2</sup> of office space under development.

## Outlook

The projected increase in office stock is likely to stabilise office rents. In broader economic terms, if political stability remains, the country's growth forecast is likely to stay close to 7% in 2015. This, along with the promise of huge coal deposits and offshore gas fields, is likely to attract massive foreign investment in a number of sectors. Maputo's property and construction boom looks set to continue, along with its influx of expatriates.

## JLL Property Clock



The JLL Property Clocks<sup>SM</sup>

## Notable recent events

**Rani Towers** to be completed in Q4 2015 with 24,000m<sup>2</sup> of office space and residential accommodation.

